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OPINION-EDITORIAL

Reforming Medicare is key to keeping physicians in rural communities

by Rep. George R. Nethercutt, Jr.

Many rural communities have great difficulty attracting and retaining physicians and other skilled health professionals. Recruitment efforts for primary and secondary care are even more difficult in an area with a lower cost of living. One of the reasons for the difficulty in retaining health care professionals in rural areas is the unfairness in Medicare reimbursements.

According to the Centers for Medicare and Medicaid Services (CMS), "physician work" is the amount of time, skill and intensity a physician puts into a patient visit. Physicians and other health care providers in rural areas put in as much or even more time, skill and intensity as do physicians in urban areas. Yet, rural physicians are paid less for their work under the Medicare program than those who practice in urban areas. This is not only unfair, it discriminates against rural areas. It makes little sense to pay physicians less in lower cost-of-living areas when these areas usually have the fewest physicians.

The amount Medicare spends on its beneficiaries varies substantially across the country, far more than can be accounted for by differences in the cost of living or differences in health status. Physician work should be valued equally, irrespective of the geographic location of the physician.

Currently, physicians are forced to accept low reimbursement rates when they treat patients enrolled in the Medicare program. Far too often, the amount they are reimbursed does not cover the costs associated with treating the patients.

CMS announced last year that Medicare payment rates will decrease in 2002, resulting in even lower reimbursement rates for physicians.

While Congress passed legislation in 2000 to stabilize and improve inadequate hospital payments for Medicare, nothing substantive in the legislation addressed the underlying issues of inadequate reimbursement of the costs of providing physician services under Medicare Part B.

That's why I support legislation designed to bring fairness to the reimbursement system for physicians treating patients covered by Medicare.

I am a cosponsor of both the Medicare Physician Payment Fairness Act and the Rural Equity Payment Index Reform Act. Each bill would change the Physician Payment Schedule to increase physician reimbursement rates. The Medicare Physician Payment Fairness Act would be an across the board increase, while the Rural Equity Payment Index Reform Act targets the disparity in payments between rural and urban areas.

Right now clinics are being forced to evaluate how many Medicare enrollees they can treat due to the low reimbursement rates they receive. Seniors should not be denied the care they need and physicians should not be forced to limit the number of patients they can afford to treat.

We must allow our physicians to remain economically competitive and ensure that our seniors have access to high quality physician services. I am proud to support this legislation and will continue working to see that our seniors get the care they need and deserve.

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